

December 2002

CHARITABLE CHATTER

The Department of Charitable Gaming Newsletter

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**Commonwealth of Kentucky
Paul E. Patton, Governor**

**Cabinet for Public Protection and Regulation
Janie A. Miller, Secretary**

The Department of Charitable Gaming Executive Staff

Ray Franklin, Commissioner
Carla Arnold, Deputy Commissioner
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Leah R. Cooper, Director of Licensing & Compliance
John Winstead, Director of Enforcement
Tom Gatewood, Principal Assistant

QUARTERLY REPORTS MUST BE POSTMARKED BY JANUARY 30, 2003

IN MEMORIUM

**Ray Franklin, Commissioner
Department of Charitable Gaming**

Ray Franklin passed away Thursday, December 12, 2002 from complications resulting from a December 4th traffic accident. Franklin, 56 years old, had served as commissioner of the department since July of 1999. Franklin came to state government following a long career in law enforcement that included 24 years as a detective with the City of Louisville Police Department. He also worked as director of security for the Kentucky State Fair Board and director of special investigations for the Kentucky Attorney General's office in 1998.

Franklin began his work at the Department of Charitable Gaming, then a division of the Justice Cabinet, as a director in 1998. Governor Paul Patton appointed him to the commissioner's position when the department moved to the Public Protection and Regulation Cabinet in 1999.

Franklin is survived by his wife Edith and daughters Angela Binkley and Andrea Renfrow. In lieu of flowers, the family requests contributions to the:

Ray Franklin Memorial Scholarship Fund
Louisville FOP Lodge #6
517 West Breckinridge Street
Louisville, KY 40203

Quarterly Reporting

Before you send your quarterly report make sure you have done the following:

- * Make sure an officer, not a chairperson, has signed the quarterly report.
- * Make sure you have listed the correct license number along with your organization's address at the top.
- * Make sure you identify the quarter and year at the top.
- * Make sure your gross receipts on the front page correspond with what you have reported on the Attachment D.
- * Make sure your expenses on the front page correspond with what you have reported on Attachment A. Remember that the expense is reported when paid regardless of when the goods or services are used.
- * Make sure you report all individual deposits on Attachment A.
- * Make sure your Attachment E lists all disbursements from the gaming account not the general account. This must include all transfers to the organization's other accounts and for these transfers the bank name and account numbers must be listed.
- * Make sure you are using the form CG-QR with a revised date of 2/02.
- * Make sure all expenses disbursed from the gaming account are for allowable expenses. Remember that gaming supplies may only be purchased from a licensed **distributor**. Gaming supplies do not include office supplies and daubers.
- * You must have the reports postmarked or in the office no later than the 30th of January.
- * Please make sure that your organization does not send unnecessary information. Filing space at the Department is limited. Therefore, when organizations provide extra information such as session sheets instead of filling out the Attachment D, extra space is consumed.

Gaming Conference

The first annual Charitable Gaming Conference took place on November 22-23, 2002 at the Holiday Inn on Fern Valley Road in Louisville, Kentucky. Over two hundred (200) representatives from Charitable Organizations attended from all over the state and fourteen (14) manufacturers and distributors attended from all over the country.

While the manufacturers and distributors exhibited new products in the exhibit hall, the representatives from the charities attended seminars on all aspects of charitable gaming including licensing, compliance, financial reporting and audit. A training manual was provided to all who attended. This manual may be downloaded from the charitable gaming website, www.dcg.state.ky.us. There were also seminars for the facilities, distributors and manufacturers. All who attended were invited to participate in a legislative roundtable to discuss the future of charitable gaming.

The conference was a great success and the Department is looking forward to hosting it again next year. Please contact Leah Cooper, Director of Licensing and Compliance, if there is a particular topic which you would like to see covered at the conference next year.

Training

Don't forget --- training in all aspects of charitable gaming including licensing, compliance, financial reporting and audit, is available at the office in Frankfort on the first Tuesday of each month starting at 9:30 am. A training manual is provided to all who attend. The manual is available on the website, www.dcg.state.ky.us. If possible, please download the manual and review it before you come so that you can have your questions ready.

This training takes approximately four (4) hours depending on the size of the group and the amount of questions asked. It is extremely helpful information whether you are an experienced gamer or new to the area. Please call Judy at the Department to make arrangements to attend. It may be possible for us to bring this training to your area if there is a group of twenty (20) persons or more that wish to attend. Please contact Leah Cooper to make these arrangements.

THINGS TO KNOW

Circle 7 game

It also is not authorized for play in Kentucky because it has no free space pursuant to 820 KAR 1:001 Section 1 (2)(b).

Charity game tickets in ziplock bag

820 KAR 1:030, Section 4 (3) requires that manufacturers seal or tape, with a tamper-resistant seal, each entry point into a container of charity game tickets. Some ziplock bags allowed access to the game tickets without breaking the seal. In order to comply with the law, all entry points must be covered with a tamper resistant seal that does not allow access to the tickets without breaking the seal.

Volunteers Playing Charitable Games

820 KAR 1:040 Section 5 (13) provides that “[a]ny individual involved in any capacity in the conduct of charitable gaming at which bingo cards are sold shall not purchase or play bingo cards, unless the individual’s duties are completed for the evening.” 820 KAR 1:030, Section 9 (11) prohibits a volunteer from purchasing or playing pulltabs at the event at which they volunteer even if their duties are completed for the evening. The problem arises when a volunteer whose duties are completed for the evening starts to play bingo and wins pull tabs as a bingo prize. They CANNOT play those pull tabs. They must take a monetary equivalent as a prize.

Pulltabs won by the call of a bingo ball

Usually the game is played during a coverall bingo game. Individual tickets are constructed like typical pulltab tickets. They utilize the typical symbols, and some games have a component of the traditional seal card “holder,” such as “red 13’s.” The tickets have bingo numbers hidden beneath the seals, numbered, of course, B-1 through O-75. The seal card will have the usual denominations of winners. Also, the card will contain a seal that, when uncovered, reveals a bingo ball that, when called, determines who the winner is. These games are legal for play in Kentucky because it meets both the definition of charity game ticket under KRS 238.505(5) and has a predesignated winner pursuant to KRS 238.505(6).